

CHAPTER 107

TAXATION

HOUSE BILL 19-1135

BY REPRESENTATIVE(S) Gray, Bird, Bockenfeld, Buentello, Exum, Jackson, Jaquez Lewis, McKean, Mullica, Singer, Snyder, Tipper, Titone, Van Winkle;
also SENATOR(S) Tate and Winter, Bridges, Crowder, Ginal, Hill, Lee, Pettersen, Story, Todd, Zenzinger, Garcia.

AN ACT

CONCERNING A CLARIFICATION THAT THE INCOME TAX CREDIT FOR RETROFITTING A RESIDENCE TO INCREASE A RESIDENCE'S ACCESSIBILITY IS AVAILABLE FOR CHANGES MADE TO A RESIDENCE THAT BENEFIT A QUALIFIED INDIVIDUAL'S DEPENDENT.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. In Colorado Revised Statutes, 39-22-541, **amend** (2)(a), (2)(d), (3)(a)(I), (3)(b)(II), and (4) as follows:

39-22-541. Credit for retrofitting a residence to increase a residence's visitability - legislative declaration - definitions - repeal. (2) As used in this section:

(a) "~~Dependent~~" ~~has the same meaning as in section 152 (a)~~ MEANS:

(I) A QUALIFYING CHILD OR QUALIFYING RELATIVE AS DEFINED IN SECTIONS 152 (c) AND 152 (d), RESPECTIVELY, OF THE INTERNAL REVENUE CODE; AND

(II) A QUALIFIED INDIVIDUAL'S SPOUSE OR THE PERSON IN A CIVIL UNION WITH THE QUALIFIED INDIVIDUAL.

(d) "Retrofit" means changes made to a residence that must:

(I) Be necessary to ensure the health, welfare, and safety of a qualified individual OR A DEPENDENT;

(II) Increase the residence's visitability;

Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.

(III) Enable greater accessibility and independence in the residence for a qualified individual OR A DEPENDENT;

(IV) Be required due to a qualified individual's OR DEPENDENT'S illness, impairment, or disability; and

(V) Allow a qualified individual OR DEPENDENT to age in place.

(3) (a) (I) Except as provided in subsection (3)(b)(III) of this section, for income tax years commencing on or after January 1, 2019, but prior to January 1, 2024, ~~an~~ A QUALIFIED individual who retrofits or hires someone to retrofit the QUALIFIED individual's residence and who meets any additional requirements established by the division of housing is allowed a credit against the income taxes imposed by this article 22 in an amount equal to the cost of the retrofit or five thousand dollars PER RESIDENCE, whichever is less. ONLY ONE CREDIT IS ALLOWED PER RESIDENCE; EXCEPT THAT IF A RETROFIT IS REQUIRED FOR THE QUALIFIED INDIVIDUAL AND FOR ONE OR MORE DEPENDENTS RESIDING IN THE QUALIFIED INDIVIDUAL'S RESIDENCE OR A RETROFIT IS REQUIRED FOR MORE THAN ONE DEPENDENT RESIDING IN THE QUALIFIED INDIVIDUAL'S RESIDENCE, THEN A CREDIT IS ALLOWED IN AN AMOUNT EQUAL TO THE COST OF THE RETROFIT OR FIVE THOUSAND DOLLARS PER INDIVIDUAL FOR WHOM THE RETROFIT IS REQUIRED, WHICHEVER IS LESS.

(b) (II) To claim the credit under this section, the QUALIFIED individual must include the credit certificate with the income tax return filed with the department of revenue.

(4) If the amount of the credit allowed in this section exceeds the amount of income taxes otherwise due on the QUALIFIED individual's income in the income tax year for which the credit is being claimed, the amount of the credit not used as an offset against income taxes in the current income tax year may be carried forward and used as a credit against subsequent years' income tax liability for a period not to exceed five years and must be applied first to the earliest income tax years possible. Any credit remaining after the period may not be refunded or credited to the QUALIFIED individual.

SECTION 2. Act subject to petition - effective date. This act takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly (August 2, 2019, if adjournment sine die is on May 3, 2019); except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2020 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.

Approved: April 12, 2019